STATE OF VERMONT PUBLIC SERVICE BOARD

Docket No. 7970

Petition of Vermont Gas Systems, Inc. for)
a certificate of public good, pursuant to)
30 V.S.A. § 248, authorizing the construction)
of approximately 43 miles of new natural gas)
transmission pipeline in Chittenden and Addison)
Counties, approximately 5 miles of new)
distribution mainlines in Addison County,)
together with three new gate stations in Williston,)
New Haven and Middlebury, Vermont)

CONSERVATION LAW FOUNDATION'S COMMENTS ON THE SCOPE AND SCHEDULE FOR ANY REMAND PROCEEDING

Conservation Law Foundation (CLF) submits these comments in response to the Vermont Public Service Board (Board) Order of January 16, 2015 regarding the scope and schedule for any remand proceeding to address the increase in the estimated capital costs for Phase 1 of the Addison Natural Gas Project (Project).

<u>Scope</u>

The scope of any remand should be broad enough to encompass review of all criteria that are affected by the significant increase in the estimated capital costs for the Project. In particular, the review should encompass the 248(a) criteria regarding whether the proposed project will "promote the general good of the State," and the 248(b) criteria addressing specific Project impacts and benefits. The significant cost increase affects whether the Project "will result in an economic benefit to the State and its residents; 30 V.S.A. § 248(b)(4), and whether the Project will "have an undue adverse effect on ... the natural environment...." 30 V.S.A. §

248(b)(5). The review should also encompass whether the project is "required to meet the need for present and future demand for service which could not otherwise be provided in a more cost effective manner through energy conservation programs and measures and energy-efficiency and load management measures" 30 V.S.A. § 248(b)(2).

Schedule

The schedule for any remand proceedings should be long enough to allow full review, including a reasonable time for discovery, of all criteria affected by the new estimated cost increase. CLF recommends that the Board request a remand of at least ninety to one hundred twenty (90 - 120) days to complete its review. The recommended scope is broader than the first remand. The Board and the parties should have adequate time to fully review the new cost information provided and its impact on the Section 248 criteria. Much of the information on which the Board's approval was granted is outdated and affected by the cost increase. This information should be updated so the Board has adequate information on which to base a decision if a remand is granted. The summary proceeding that led to approval after the first remand is inadequate. It failed to allow time for a complete review and as a result, approval was granted based on cost figures that were inaccurate. The Board and the parties deserve an opportunity to fully review the new information and its effect on the criteria. This will likely take at least 90 to 120 days.

CLF opposes the schedule for hearings suggested by VGS in its January 16, 2015 filing. It provides only about 60 days for a full review. The testimony submitted by VGS is very limited and fails to include an update of discovery and other testimony that is changed as a result of the new cost information. Additional time is needed to ensure that fully accurate information is provided to the Board and the parties.

Dated at Montpelier, Vermont, this 21st day of January 2015.

CONSERVATION LAW FOUNDATION

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